UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250 **Notice TB-1021**

For: Tobacco State and County Offices

"No P&CP" Signup

Tobacco Loss Assistance Program 2000 (TLAP00)

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Approved by: Acting Deputy Administrator, Farm Programs

1 Overview

A

Background

During FY 2000, FSA provided \$340 million in direct payments through the TLAP00 to quota holders and producers to help them defray income losses in the 2000 crop year because of quota reductions. One of the eligibility requirements for TLAP00 was that a farm must have received Planted and Considered Planted (P&CP) credit for the 2000 crop year. The statute has been amended to provide that TLAP00 payments may be made to person(s) who are otherwise eligible without regard to whether the quota was used for the production of tobacco during the 2000 crop year.

B Purpose

This notice provides signup provisions and instructions for:

- publicizing the signup
- completing TLAP00 applications
- approving TLAP00 applications
- loading TLAP00 applications into the System 36.

C

Automation Software

Software for entering and processing CCC-950 is currently available on System 36. Payment software will be available in a future software release.

| Disposal Date | Distribution |
|-----------------|---|
| January 1, 2003 | Tobacco State Offices; State Offices relay to applicable County Offices |

2 Signup Provisions

A Dates

Applications will be accepted starting November 1, 2001, through December 14, 2001. Late filed applications will **not** be approved.

Note: The deadline for loading "No P&CP" TLAP00 applications into the System 36 is close of business on December 18, 2001.

B Eligibility

AD-1026 and FSA-570 are **not** applicable for TLAP00 eligibility. The following eligibility provisions are applicable:

- Eligible Person: 1 who owned, operated, or produced eligible tobacco on a farm for which a quota reduction from the 1999 crop year to the 2000 crop year occurred.
- Eligible Farm: 1 which was not approved for a payment during the initial TLAP00 signup because there was no P&CP
- Eligible types of tobacco:
 - burley, type 31
 - flue-cured, types 11-14
 - dark fire-cured, type 21
 - cigar binder types, 54-55.

C Payment Division, Offsets, and Assignments

Payments will be based on FY2000 information. Payment rates are the same as those in the initial TLAP00 sign-up. All eligible persons or entities must agree on the division of payments before CCC-950 can be approved.

If a producer is indebted to the United States, including CCC and FSA, TLAP00 payments shall be offset. A producer may also assign payments.

Note: CCC-36 must be on file before CCC-950 is approved.

Uncertified shares are ineligible for payment, but will not affect the payment shares of any other certified person(s) on the farm.

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2 Provisions (Continued)

D Definitions

The following terms and definitions are applicable.

<u>Controllers</u> are persons or entities who control the land used to produce the tobacco and who share in the risk of producing the tobacco. This applies to burley and dark fire-cured tobaccos that have a 1/3, 1/3, 1/3 distribution formula.

<u>Growers/tenants</u> are persons or entities who provide labor to produce tobacco and who share in the risk of production. This is applicable to burley and dark firecured tobaccos that have a 1/3, 1/3 distribution formula.

<u>Producers</u> are persons or entities actively engaged in planting, growing, harvesting, and marketing tobacco or who share in the risk of production. This applies to flue-cured and cigar-binder tobaccos that have a 50/50 distribution formula.

<u>Quota owners</u> are persons or entities who own the quota assigned to the farm and the tract level.

Funds will be divided for payment as follows:

| | Burley Tobacco Payments Burley Tobacco Payments | | |
|--------------------|---|---|---|
| | Allocation 1 | Allocation 2 | Allocation 3 |
| Eligible Person | Paid to quota owners | Paid to the farm controllers | Paid to growers/tenants Note: Payment may be divided in any manner if all eligible growers/tenants agree in writing. |
| Formula | Based on basic quota | Based on effective quota before any approved disaster lease and transfer of quota | Based on effective quota before any approved disaster lease and transfer of quota |

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2 Provisions (Continued)

E Definitions (Continued)

| Flue-Cured Tobacco Payments | | |
|-----------------------------|----------------------|----------------------|
| | Allocation 1 | Allocation 2 |
| Eligible Person | Paid to quota owners | Paid to producers |
| Formula | Based on basic quota | Based on basic quota |

| Dark Fire-Cured Tobacco | | | |
|-------------------------|---|---|---|
| | Allocation 1 | Allocation 2 | Allocation 3 |
| Eligible Person | Paid to allotment owners | Paid to the farm controllers | Paid to growers/tenants Note: Payment may be divided in any manner if all eligible growers/tenants agree in writing. |
| Formula | Based on basic allotment times NASS yield | Based on effective allotment times NASS yield | Based on effective allotment times NASS yield |

| Cigar Binder Tobacco Payments | | |
|-------------------------------|---|---|
| | Allocation 1 | Allocation 2 |
| Eligible Person | Paid to allotment owners | Paid to producers on the farm |
| Formula | Based on basic allotment times NASS yield | Based on basic allotment times NASS yield |

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2 Provisions (Continued)

F Definitions (Continued)

The following terms and definitions are applicable.

<u>Controllers</u> are persons or entities who control the land used to produce the tobacco and who share in the risk of producing the tobacco. This applies to burley and dark fire-cured tobaccos that have a 1/3, 1/3 distribution formula.

<u>Growers/tenants</u> are persons or entities who provide labor to produce tobacco and who share in the risk of production. This is applicable to burley and dark firecured tobaccos that have a 1/3, 1/3 distribution formula.

<u>Producers</u> are persons or entities actively engaged in planting, growing, harvesting, and marketing tobacco or who share in the risk of production. This applies to flue-cured and cigar-binder tobaccos that have a 50/50 distribution formula.

<u>Quota owners</u> are persons or entities who own the quota assigned to the farm and the tract level.

3 Action

A County Office Action

County Offices shall follow this table:

| Item | Instructions |
|------|---|
| 1 | Run the "Report of Farms Without P&CP". |
| 2 | Notify all eligible persons (not yet paid) of this TLAP00 sign-up. Publicize the provisions of this sign-up by all means possible. |
| 3 | Begin accepting CCC-950's on November 1, 2001. The deadline to accept applications is December 14, 2001. Applications may be entered into the System 36 immediately. |
| | Note: Applications may be removed from the County Office to obtain signatures. Applications with original signature(s) must not be removed. Provide a copy of the application if additional signatures must be obtained outside the office. All signatures for payment must be obtained before close of business on December 14, 2001. |

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3 Action (Continued)

В

COC Action (Continued)

Only CCC-950's with all applicable signatures filed by close of business December 14, 2001, may be approved by COC. COC may redelegate authority to CED to approve routine applications when there are no disputed shares. There is no provision for late filed applications.

COC shall take the following actions:

- approve or disapprove all CCC-950's
 Note: Appeal rights shall be afforded to applicants, if applicable. Appeals will be handled according to 1-APP
- send letters to applicants of disapproved applications
- send letters to applicants who are not eligible for payment because of disputed shares
- make application changes at time of approval
- note, initial, and date the justification for the changes in the remarks section of CCC-950

Owners of eligible kinds of tobacco shall complete items 8 through 15 as follows.

SED's shall:

C

SED Action

- ensure that County Offices have followed the provisions of this notice
- publicize this TLAP00 sign-up by all means possible.

4 Completing CCC-950

A

General Instructions

2000 crop year information is to be used in completing CCC-950.

The manually completed CCC-950 will be used to load application data into System 36.

Use CCC-950.

B Items 1-6

County Office shall complete Items 1-6 as follows:

| Item | Instructions |
|------|--|
| 1 | Enter state code. |
| 2 | Enter county code |
| 3 | Enter FSN |
| 4 | Check applicable kind of tobacco. |
| | Note: A separate CCC-950 must be filed for each kind of tobacco. |
| 5 | Enter: |
| | name address telephone number identification number of the farm operator. |
| 6 | Enter: |
| | administrative County Office nameaddresstelephone number.0 |

4 Completing CCC-950 (Continued) C

Items 8-15

| Item | Instructions |
|-------|--|
| 8 | Enter the total basic quota pounds for the farm using the information available from Menu TLAP00, option 1 and/or option 2. |
| | Note: Dark Fire-Cured tobacco, type 21 basic quota is derived from multiplying the farm's basic allotment times the NASS yield of 2,139 lbs. per acre. |
| | Cigar Binder, types 54, 55 basic quota is derived from multiplying the farm's basic allotment times the NASS yield of 2,054 lbs. per acre. |
| 9 | Enter the name, address, and identification number of the first quota owner. |
| | Note: Because CCC-950 is taken by farm for a selected kind of tobacco, when multiple owners share in the same basic quota on the farm, all owners shall be included on the same application. |
| 10 | Enter the pounds of basic quota to be allocated to the quota owner entered in item 9. |
| | Note: In the case of husband and wife when both are owners, each will be required to allocate pounds and sign CCC-950 in order for each to be eligible for a payment. |
| 11 | The quota owner entered in item 9 shall sign and date. |
| 12-14 | Repeat items 9 through 11 for each additional quota owner, if applicable. |
| | Note: Use CCC-950-A for additional quota owners. |
| 15 | The total pounds allocated in items 10 and 13, plus any additional quota owner allocated pounds listed on CCC-950-A, may differ from item 8 because of rounding quota or because of undesignated pounds. |

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4 Completing CCC-950 (Continued)

D Items 16-23

Controllers for Burley and/or Dark Fire-Cured tobacco shall complete items 16 through 23 as follows.

| Item | Instructions | | |
|-------|--|--|--|
| 16 | Enter the total effective quota pounds for the farm before any approved disaster lease and transfer pounds. | | |
| | Note: Dark Fire-Cured tobacco effective quota is derived from multiplying the farm's total effective allotment times the NASS yield of 2,139 lbs. per acre. | | |
| 17 | Enter the name, address, and identification number of the first controller | | |
| | Note: When multiple controllers share in the same effective quota on the farm, all controllers shall be included on the same application. The allocated pounds must reflect the division of payment pounds. | | |
| 18 | Enter the pounds of effective quota to be allocated to the controller entered in item 17. | | |
| 19 | The controller entered in item 17 shall sign and date. | | |
| 20-22 | Repeat items 17 through 19 for each additional controller, if applicable. Note: Use CCC-950-A for additional controllers | | |
| 23 | | | |
| 23 | The total pounds allocated in items 18 and 21, plus any additional controller allocated pounds listed on CCC-950-A, may differ from item 16 because of rounding quota or because of undesignated pounds. | | |

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4 Instructions for Completing CCC-950 (Continued)

Items 24-31

Controllers for Burley and/or Dark Fire-Cured tobacco shall complete items 24 through 31 as follows.

| Item | Instructions |
|-------|---|
| 24 | Enter the total effective quota pounds for the farm before any approved disaster lease and transfer pounds |
| 25 | Enter the name, address, and identification number of the first grower/tenant. |
| 26 | Enter the pounds of effective quota to be allocated to the grower/tenant entered in item 25. |
| 27 | The grower/tenant entered in item 25 shall sign and date. |
| 28-30 | Repeat items 25 through 27 for each additional grower/tenant, if applicable. Note: Use CCC-950-A for any additional grower/tenant. |
| 31 | The total pounds allocated in items 26 and 29, plus any additional |
| | grower/tenant allocated pounds listed on CCC-950-A may differ from item 24 because of rounding quota or because of undesignated pounds. |

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4 Completing CCC-950 (Continued)

E Items 32-39

Controllers for Burley and/or Dark Fire-Cured tobacco shall complete items 32 through 39 as follows.

| Item | Instructions |
|-------|--|
| 32 | Enter the total basic quota for the farm. |
| | Note: Cigar Binder basic quota is derived from multiplying the farm's total basic allotment times the NASS yield of 2,054 lbs. per acre. |
| 33 | Enter the name, address, and identification number of the first producer. |
| 34 | Enter the pounds of basic quota to be allocated to the producer entered in item 33. |
| 35 | The producer entered in item 33 shall sign and date. |
| 36-38 | Repeat items 33 through 35 for each additional producer, if applicable. |
| | Note: Use CCC-950-A for additional producers. |
| 39 | The total pounds allocated in items 34 and 37, plus any additional producer allocated pounds listed on CCC-950-A, may differ from item 32 because of rounding quota or because of undesignated pounds. |

G Items 40-41

COC shall complete items 40 and 41 as follows.

| Item | Instructions |
|------|---|
| 40 | COC, or designee, must check applicable box |
| 41 | COC, or designee, must sign, date, and include title. |

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5 Process or Correct TLAP00 Application

A Processing Application

Option 1 on the TLAP00 Menu MNE000 will allow TLAP00 application data to be entered into the System 36.

- The person who was the quota owner of record on July 3, 2000, is eligible to apply for owner-allocated pounds
- if an applicant is not on the name and address file, that applicant may be added to the name and address file according to 1-CM. TLAP00 software will not accept temporary ID's

Note: Contact the State Office if an applicant is a BIA member who only has a temporary ID number.

- if an applicant is not associated with the farm, that applicant may be added to the farm through farm maintenance by accessing Option 9, "Add Other Producers" on TLAP00 Main Menu MNE000.
- On CCC-950, if item 5 is "Y", do not load application data. Payments for this sign-up will only be made to those otherwise eligible persons who did not have P&CP for the initial TLAP00 sign-up.
- Only 1 workstation shall access and data load to the same farm at the same time.
- County Offices making any modification shall note, sign, and date the justification for the change in the remarks section of CCC-950. Flue-cured quota modifications that are necessary because of rounding (Option 8, "Display Tract Calculated Basic Allotment/Quota") shall be handled in this manner.

B Reporting Farms Without P &CP"

Option 10 on the TLAP00 Menu MNE000 will provide a printout of farm which have an indicator of "N" or "blank acreage" for 2000. The report will also indicate if TLAP00 initial or Supplemental II payments have been made to each listed farm. If all farms in a county have P&CP credit, the report will display a message which indicates that all tobacco farms in the county have P&CP.

Note: Counties will be able to run the report as many times as necessary.